

# Audit



# Report

OFFICE OF THE INSPECTOR GENERAL

DEFENSE BASE REALIGNMENT AND CLOSURE  
BUDGET DATA FOR THE CLOSURE OF NAVAL AIR  
STATION BARBERS POINT, HAWAII, AND  
REALIGNMENT OF P-3 AIRCRAFT SQUADRONS TO  
NAVAL AIR STATION WHIDBEY ISLAND,  
WASHINGTON

Report No. 96-101

April 26, 1996

DTIC QUALITY INSPECTED 4

Department of Defense

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### **Acronyms**

|        |                              |
|--------|------------------------------|
| BRAC   | Base Realignment and Closure |
| GSE    | Ground Support Equipment     |
| MILCON | Military Construction        |
| NAS    | Naval Air Station            |



**INSPECTOR GENERAL  
DEPARTMENT OF DEFENSE  
400 ARMY NAVY DRIVE  
ARLINGTON, VIRGINIA 22202-2884**



April 26, 1996

**MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (COMPTROLLER)  
ASSISTANT SECRETARY OF THE NAVY (FINANCIAL  
MANAGEMENT AND COMPTROLLER)**

**SUBJECT: Audit Report on Defense Base Realignment and Closure Budget Data for  
the Closure of Naval Air Station Barbers Point, Hawaii, and Realignment  
of P-3 Aircraft Squadrons to Naval Air Station Whidbey Island,  
Washington (Report No. 96-101)**

We are providing this audit report for review and comment. This report is one in a series of reports about FY 1997 Defense base realignment and closure military construction costs. Management comments on a draft of this report were considered in preparing the final report.

DoD Directive 7650.3 requires that all audit recommendations and potential monetary benefits be resolved promptly. As a result of Navy comments, we revised the draft recommendations. The Under Secretary of Defense (Comptroller) did not provide comments on the draft of this report. Therefore, we request that the Under Secretary of Defense (Comptroller) provide comments on the finding and final report Recommendation 1. by June 25, 1996.

We appreciate the courtesies extended to the audit staff. Questions on the audit should be directed to Mr. Joseph P. Doyle, Audit Program Director, at (703) 604-9348 (DSN 664-9348) or Mr. John Yonaitis, Audit Project Manager, at (703) 604-9231 (DSN 664-9231). See Appendix G for the report distribution. The audit team members are listed inside the back cover.

*David Steensma*

David K. Steensma  
Deputy Assistant Inspector General  
for Auditing

## Office of the Inspector General, DoD

Report No. 96-101  
(Project No. 6CG-5001.03)

April 26, 1996

### Defense Base Realignment and Closure Budget Data for the Closure of Naval Air Station Barbers Point, Hawaii, and Realignment of P-3 Aircraft Squadrons to Naval Air Station Whidbey Island, Washington

#### Executive Summary

**Introduction.** This report is one in a series of reports about FY 1997 Defense base realignment and closure military construction costs. Public Law 102-190, "National Defense Authorization Act for Fiscal Years 1992 and 1993," December 5, 1991, directs the Secretary of Defense to ensure that the amount of the authorization that DoD requested for each military construction project associated with Defense base realignment and closure does not exceed the original estimated cost provided to the Commission on Defense Base Closure and Realignment (the Commission). If the requested budget amounts exceed the original project cost estimates provided to the Commission, the Secretary of Defense is required to explain to Congress the reasons for the differences. The Office of the Inspector General, DoD, is required to review each Defense base realignment and closure military construction project for which a significant difference exists from the original cost estimate and to provide the results of the review to the congressional Defense committees. Our audits include all projects valued at more than \$1 million.

**Audit Objectives.** The overall audit objective was to determine the accuracy of Defense base realignment and closure military construction budget data. This report provides the results of the audit of one project, valued at \$3.2 million, for the closure of Naval Air Station Barbers Point, Hawaii, and realignment of P-3 aircraft squadrons to Naval Air Station Whidbey Island, Washington.

**Audit Results.** The Navy overestimated space requirements for constructing a ground support equipment facility at Naval Air Station Whidbey Island to support the realignment of three P-3 aircraft squadrons. As a result, the Navy overstated project P-600T, "Ground Support Equipment Facility," by about \$499,000.

See Part I for a discussion of the audit results. See Appendix D for a summary of invalid and partially valid requirements for the project we reviewed.

**Summary of Recommendations.** We recommend that the Under Secretary of Defense (Comptroller) place project P-600T, "Ground Support Equipment Facility" on administrative withhold until management submits a revised DD Form 1391, "FY 1997 Military Construction Project Data". We also recommend that the Navy submit a revised DD Form 1391 for the ground support equipment facility that reflects valid base realignment and closure requirements and costs and that it reduce budget estimates by \$499,000.

**Management Comments.** The Under Secretary of Defense (Comptroller) did not comment on the draft of this report. The Deputy Assistant Secretary of the Navy (Installations and Facilities) concurred with the recommendations and submitted a revised DD Form 1391 for project P-600T and reduced the budget estimates by \$499,000. See Part I for a summary of management comments, and see Part III for the complete text of management comments.

**Audit Response.** As a result of Navy comments, we revised the report recommendations. The Under Secretary of Defense (Comptroller) should provide comments on the final report by June 25, 1996.

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## **Part I - Audit Results**

### Audit Background

The Office of the Inspector General, DoD, is performing various audits of the Defense base realignment and closure (BRAC) process. This report is one in a series of reports about FY 1997 BRAC military construction (MILCON) costs. For additional information on the BRAC process and the overall scope of the audit of BRAC MILCON costs, see Appendix C. See Appendix D for a summary of invalid and partially valid requirements for the project we reviewed.

Inspector General, DoD, Report No. 95-276, "Defense Base Realignment and Closure Budget Data for the Closure of Naval Air Station Barbers Point, Hawaii, and Realignment to Naval Air Station Whidbey Island, Washington," July 7, 1995, stated that in the FY 1996 budget submission, the Navy overestimated space requirements for constructing a ground support equipment (GSE) facility, project P-600T. The report states that Naval Air Station (NAS) Whidbey Island misinterpreted Navy guidance for computing the size of a GSE facility. The report recommended that the Navy revise and resubmit construction estimates for the GSE facility. NAS Whidbey Island revised and resubmitted those construction estimates for the GSE facility as an FY 1997 project. We examined the new estimates as part of the audit of FY 1997 BRAC budget data.

### Audit Objectives

The overall audit objective was to determine the accuracy of BRAC MILCON budget data. The specific objectives were to determine whether the proposed project was a valid BRAC requirement, whether the decision for MILCON was supported with required documentation including an economic analysis, and whether the economic analysis considered existing facilities. Another objective was to assess the adequacy of the management control program as it applied to the overall audit objective.

This report provides the results of the audit of revised project P-600T, "Ground Support Equipment Facility," valued at \$3.2 million, resulting from the closure of NAS Barbers Point, Hawaii, and realignment to NAS Whidbey Island, Washington. See Appendix A for a discussion of the scope and methodology, Appendix B for a summary of prior coverage related to the audit objectives, and Appendix E for a discussion of the economic analysis for project P-600T. The management control program objective will be discussed in a summary report on FY 1997 BRAC MILCON budget data.



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## **Ground Support Equipment Facility**

NAS Whidbey Island overestimated space requirements for project P-600T, "Ground Support Equipment Facility," valued at \$3.2 million. NAS Whidbey Island overestimated space requirements because management incorrectly included vehicle storage space when calculating requirements for the size of the GSE facility. As a result, NAS Whidbey Island overstated project P-600T by approximately \$499,000.

## **Proposed Project for Three P-3 Squadrons**

NAS Whidbey Island proposed the construction of a GSE facility to support the realignment of three P-3 squadrons. On October 31, 1995, NAS Whidbey Island submitted a DD Form 1391, "FY 1997 Military Construction Project Data," for a 10,900-square-foot GSE facility, project P-600T, valued at \$3.2 million.

## **Space Requirements**

NAS Whidbey Island overestimated space requirements for project P-600T. The Navy developed a sizing program that calculated the standard size of a GSE facility according to the number of assigned aircraft. The GSE facility included a maintenance building and a three-sided storage shed. NAS Whidbey Island could reduce the size of the GSE facility by 201 square meters (2,160 square feet).

## Ground Support Equipment Facility

The following table shows our computations of the GSE facility space requirements.

| Ground Support Equipment Facility  |                                    |                            |                                      |                     |                                 |
|--|------------------------------------|----------------------------|--------------------------------------|---------------------|---------------------------------|
| Facility   | Space Requirements (square meters) |                            |                                      |                     |                                 |
|  | Before <sup>1</sup><br>BRAC        | After <sup>2</sup><br>BRAC | Increase Due <sup>3</sup><br>to BRAC | Per DD<br>Form 1391 | Over- <sup>4</sup><br>Estimated |
| Building   | 930                                | 1,308                      | 378                                  | 579                 | 201                             |
| Shed   | <u>1,280</u>                       | <u>1,717</u>               | <u>437</u>                           | <u>437</u>          | <u>0</u>                        |
| <b>Total</b>   | <b>2,210</b>                       | <b>3,025</b>               | <b>815</b>                           | <b>1,016</b>        | <b>201</b>                      |
| Notes:   |                                    |                            |                                      |                     |                                 |
| <sup>1</sup> NAS Whidbey Island had a total of 74 aircraft.  |                                    |                            |                                      |                     |                                 |
| <sup>2</sup> NAS Whidbey Island has a total of 101 aircraft.   |                                    |                            |                                      |                     |                                 |
| <sup>3</sup> The amount was computed by subtracting the space requirements after BRAC from the space requirements before BRAC.           |                                    |                            |                                      |                     |                                 |
| <sup>4</sup> The amount was computed by subtracting the space requirements listed on the DD Form 1391 from the increase because of BRAC. |                                    |                            |                                      |                     |                                 |

## Vehicle Storage Space

NAS Whidbey Island overestimated space requirements for the GSE facility because management incorrectly included vehicle storage space when calculating the size of the GSE facility. NAS Whidbey Island calculated space requirements using the Navy sizing program, but added additional space for vehicle storage.

**Navy Sizing Program.** In June 1995, NAS Whidbey Island used the Navy sizing program to calculate the space requirements for the GSE facility. Based on that calculation, the increase in space for the GSE facility was 815 square meters (8,777 square feet): 378 square meters (4,077 square feet) for the maintenance building and 437 square meters (4,700 square feet) for the three-sided storage shed.

**Additional Space for Vehicle Storage.** NAS Whidbey Island added 201 square meters (2,160 square feet) to the space requirements for the maintenance building to allow space to store three deicer trucks and six corrosion control carts inside a heated facility. We contacted McChord Air Force Base, Washington, which experiences similar weather conditions to those of NAS Whidbey Island; the Landoll Corporation, Maryville, Kansas, a manufacturer of deicer trucks; and Metric Systems Corporation, Fort Walton Beach, Florida, a manufacturer of corrosion control carts. We also reviewed

the Navy sizing program. No evidence was found of a requirement to store the equipment inside a heated facility. The Air Force, the manufacturers of the deicer and corrosion control equipment, and the Navy had no requirements for storing the equipment inside a heated facility.

### **Reducing Project Scope and Cost**

As a result of adding vehicle storage space to the space requirements for the GSE facility, NAS Whidbey Island overstated the space required for project P-600T on the DD Form 1391 by 201 square meters (2,160 square feet). The cost per square meter for constructing the GSE facility was \$1,090; therefore, the cost of the project could be decreased by approximately \$219,000 (201 square meters times \$1,090). The Navy could put the funds to better use by adjusting the space requirements.

### **Revised Cost Estimates**

In response to the draft of this report, the Navy reduced the budget estimates for Project P-600T, "Ground Support Equipment Facility," by \$499,000. The reduction included the reduction of \$219,000 recommended in the draft report, plus an additional reduction of \$280,000 for unneeded facility requirements.

### **Recommendations, Management Comments, and Audit Response**

**Revised Recommendations.** As a result of Navy comments, we revised the wording of both recommendations to ensure that the Defense base realignment and closure project at Naval Air Station Whidbey Island is appropriately adjusted.

1. We recommend that the Under Secretary of Defense (Comptroller) place project P-600T, "Ground Support Equipment Facility," on administrative withhold, until management submits a revised DD Form 1391, "FY 1997 Military Construction Project Data," to accurately reflect the project costs.

**Management Comments.** The Under Secretary of Defense (Comptroller) did not comment on a draft of this report. We request that the Under Secretary of Defense (Comptroller) consider the revised recommendation and provide comments in its response to the final report.

## **Ground Support Equipment Facility**

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**2. We recommend that the Commander, Naval Air Station Whidbey Island:**

**a. Submit a revised DD Form 1391, "FY 1997 Military Construction Project Data," for project P-600T, "Ground Support Equipment Facility," that reflects valid Defense base realignment and closure requirements and costs.**

**b. Correspondingly reduce budget estimates by \$499,000.**

**Management Comments.** The Deputy Assistant Secretary of the Navy (Installations and Facilities) concurred with the recommendations and stated that in addition to the \$219,000 reduction recommended in the draft of this report, another \$280,000 could be reduced for supporting facility costs. A copy of the revised DD Form 1391 was also provided with the Navy's comments.

## **Part II - Additional Information**

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## Appendix A. Scope and Methodology

**Scope of This Audit.** We examined the FY 1997 BRAC MILCON budget request, economic analysis, and supporting documentation for space requirements for one realignment project regarding the transfer of Naval Air Station Barbers Point. Project P-600T, "Ground Support Equipment Facility," is estimated to cost \$3.2 million.

**Audit Period, Standards, and Locations.** This economy and efficiency audit was performed from December 1995 through January 1996 in accordance with auditing standards issued by the Comptroller General of the United States as implemented by the Inspector General, DoD. The audit did not rely on computer-processed data or statistical sampling procedures. Appendix F lists the organizations visited or contacted during the audit.

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## **Appendix B. Summary of Prior Audits and Other Reviews**

Since 1991, numerous audit reports have addressed DoD BRAC issues. This appendix lists the summary reports for the audits of BRAC budget data for FYs 1992 through 1996.

### **Inspector General, DoD**

| <u>Report No.</u> | <u>Report Title</u>  | <u>Date</u>       |
|-------------------|--|-------------------|
| 96-093            | Summary Report on the Audit of Defense Base Realignment and Closure Budget Data for FYs 1995 and 1996          | April 3, 1996     |
| 94-040            | Summary Report on the Audit of Defense Base Closure and Realignment Budget Data for FYs 1993 and 1994          | February 14, 1994 |
| 93-100            | Summary Report on the Audit of Defense Base Closure and Realignment Budget Data for Fiscal Years 1992 and 1993 | May 25, 1993      |

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## **Appendix C. Background of Defense Base Realignment and Closure and Scope of the Audit of FY 1997 Defense Base Realignment and Closure Military Construction Costs**

**Commission on Defense Base Closure and Realignment.** On May 3, 1988, the Secretary of Defense chartered the Commission on Defense Base Closure and Realignment (the Commission) to recommend military installations for realignment and closure. Congress passed Public Law 100-526, "Defense Authorization Amendments and Base Closure and Realignment Act," October 24, 1988, which enacted the Commission's recommendations. The law also established the Defense Base Closure Account to fund any necessary facility renovation or MILCON projects associated with BRAC. Public Law 101-510, "Defense Base Closure and Realignment Act of 1990," November 5, 1990, reestablished the Commission. The law also chartered the Commission to meet during calendar years 1991, 1993, and 1995 to verify that the process for realigning and closing military installations was timely and independent. In addition, the law stipulates that realignment and closure actions must be completed within 6 years after the President transmits the recommendations to Congress.

**Required Defense Reviews of BRAC Estimates.** Public Law 102-190, "National Defense Authorization Act for Fiscal Years 1992 and 1993," December 5, 1991, states that the Secretary of Defense shall ensure that the authorization amount that DoD requested for each MILCON project associated with BRAC actions does not exceed the original estimated cost provided to the Commission. Public Law 102-190 also states that the Inspector General, DoD, must evaluate significant increases in BRAC MILCON project costs over the estimated costs provided to the Commission and send a report to the congressional Defense committees.

**Military Department BRAC Cost-Estimating Process.** To develop cost estimates for the Commission, the Military Departments used the Cost of Base Realignment Actions computer model. The Cost of Base Realignment Actions computer model uses standard cost factors to convert the suggested BRAC options into dollar values to provide a way to compare the different options. After the President and Congress approve the BRAC actions, DoD realigning activity officials prepare a DD Form 1391, "FY 1997 Military Construction Project Data," for each individual MILCON project required to accomplish the realigning actions. The Cost of Base Realignment Actions computer model provides cost estimates as a realignment and closure package for a particular realigning or closing base. The DD Form 1391 provides specific cost estimates for an individual BRAC MILCON project.

**Limitations and Expansion to Overall Audit Scope.** Because the Cost of Base Realignment Actions computer model develops cost estimates as a BRAC package and not for individual BRAC MILCON projects, we were unable to determine the amount of cost increases for each individual BRAC MILCON



## **Appendix C. Background of Defense Base Realignment and Closure and Scope of the Audit of FY 1997 Defense Base Realignment and Closure Military Construction Costs**

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project. Additionally, because of prior audit efforts that determined potential problems with all BRAC MILCON projects, our audit objectives included all large BRAC MILCON projects.

**Overall Audit Selection Process.** We reviewed the FY 1997 BRAC MILCON \$820.8 million budget submitted by the Military Departments and the Defense Logistics Agency. We excluded projects that were previously reviewed by DoD audit organizations. We grouped the remaining BRAC MILCON projects by location and selected groups of projects that totaled at least \$1 million for each group. We also reviewed those FY 1996 BRAC MILCON projects that were not included in the previous FY 1996 budget submission, but were added as part of the FY 1997 BRAC MILCON budget package.

## Appendix D. Projects Identified as Invalid or Partially Valid

**Table D-1. Causes of Invalid or Partially Valid Projects**

| <u>Project Location</u> | <u>Project Number</u> | <u>Causes of Invalid Projects</u> |                    | <u>Causes of Partially Valid Projects</u> |                    |
|-------------------------|-----------------------|-----------------------------------|--------------------|---|--------------------|
|                         |                       | <u>Overstated</u>                 | <u>Unsupported</u> | <u>Overstated</u>                         | <u>Unsupported</u> |
| NAS Whidbey Island      | P-600T                |                                   |                    | X   |                    |

**Table D-2. Recommended Changes in Project Estimates**

| <u>Project Location</u> | <u>Project Number</u> | <u>Amount of Estimate on DD Form 1391 (thousands)</u> | <u>Recommended Amount of Change</u> |   |
|-------------------------|-----------------------|---|-------------------------------------|---|
|                         |                       |   | <u>Invalid Projects (thousands)</u> | <u>Partially Valid Projects (thousands)</u> |
| NAS Whidbey Island      | P-600T                | <u>\$3,200</u>  |                                     | <u>\$499</u>                                |
| Total                   |                       | <u>\$3,200</u>  |                                     | <u>\$499</u>                                |

**Total Invalid and Partially Valid Projects**

**\$499**

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## Appendix E. Economic Analysis for Project

**Economic Analysis for Expansion.** The Under Secretary of Defense (Comptroller) issued a memorandum on August 2, 1991, that requires the Military Departments to prepare an economic analysis for all military construction, major repairs, or renovation projects estimated to cost more than \$2 million. In addition, Naval Facilities Engineering Command Instruction 11010.44E, "Shore Facilities Planning Manual," December 15, 1987, requires activities to prepare an economic analysis and include the analysis with the preliminary construction project documentation when alternatives to new construction exist.

**Project P-600T Economic Analysis.** Inspector General, DoD, Report No. 95-276 stated that NAS Whidbey Island did not prepare an economic analysis for project P-600T and recommended that an economic analysis be prepared. The Northwest Engineering Field Activity, Naval Facilities Engineering Command, prepared an economic analysis comparing the cost of building a new stand-alone GSE facility with the cost of extending the existing GSE facility. The economic analysis indicated that constructing a new stand-alone facility would be less expensive than extending the existing facility.

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## **Appendix F. Organizations Visited or Contacted**

### **Office of the Secretary of Defense**

Under Secretary of Defense (Comptroller), Washington, DC

### **Department of the Navy**

Chief of Naval Operations, Washington, DC

Naval Air Systems Command, Arlington, VA

Naval Facilities Engineering Command, Alexandria, VA

Atlantic Division, Norfolk, VA

Engineering Field Activity, Northwest, Poulsbo, WA

Naval Air Station Whidbey Island, WA

### **Department of the Air Force**

McChord Air Force Base, WA

### **Non-Federal Organizations**

Landoll Corporation, Maryville, KS

Metric Systems Corporation, Fort Walton Beach, FL

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## **Appendix G. Report Distribution**

### **Office of the Secretary of Defense**

Under Secretary of Defense for Acquisition and Technology  
Director, Defense Logistics Studies Information Exchange  
Under Secretary of Defense (Comptroller)  
Deputy Chief Financial Officer  
Deputy Comptroller (Program/Budget)  
Assistant Secretary of Defense (Economic Security)  
Deputy Assistant Secretary of Defense (Installations)  
Assistant to the Secretary of Defense (Public Affairs)

### **Department of the Army**

Auditor General, Department of the Army

### **Department of the Navy**

Assistant Secretary of the Navy (Financial Management and Comptroller)  
Deputy Chief of Naval Operations (Logistics)  
Commander in Chief, Pacific Fleet  
Commander, Naval Air Pacific  
Commander, Naval Air Station Whidbey Island  
Commander, Naval Facilities Engineering Command  
Commander, Southwest Division  
Commander, Engineering Field Activity, Northwest  
Auditor General, Department of the Navy

### **Department of the Air Force**

Assistant Secretary of the Air Force (Financial Management and Comptroller)  
Auditor General, Department of the Air Force

### **Other Defense Organizations**

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Director, Defense Logistics Agency  
Director, National Security Agency  
Inspector General, National Security Agency

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Office of Management and Budget  
Technical Information Center, National Security and International Affairs Division,  
General Accounting Office

Chairman and ranking minority member of each of the following congressional committees and subcommittees:

Senate Committee on Appropriations  
Senate Subcommittee on Defense, Committee on Appropriations  
Senate Subcommittee on Military Construction, Committee on Appropriations  
Senate Committee on Armed Services  
Senate Committee on Governmental Affairs  
House Committee on Appropriations  
House Subcommittee on Military Construction, Committee on Appropriations  
House Subcommittee on National Security, Committee on Appropriations  
House Committee on Government Reform and Oversight  
House Subcommittee on National Security, International Affairs, and Criminal  
Justice, Committee on Government Reform and Oversight  
House Committee on National Security

Honorable Slade Gorton, U.S. Senate  
Honorable Patty Murray, U.S. Senate  
Honorable Jack Metcalf, U.S. House of Representatives

## **Part III - Management Comments**

# Department of the Navy Comments




DEPARTMENT OF THE NAVY  
OFFICE OF THE ASSISTANT SECRETARY  
(INSTALLATIONS AND ENVIRONMENT)  
1000 NAVY PENTAGON  
WASHINGTON, D.C. 20380-1000

27 MAR 1996

MEMORANDUM FOR THE DEPARTMENT OF DEFENSE ASSISTANT INSPECTOR  
GENERAL FOR AUDITING

SUBJECT: Quick-Reaction Report on Defense Base Realignment and  
Closure Budget Data for the Closure of Naval Air  
STATION Barbers Point, Hawaii, and Realignment of P-3  
Aircraft Squadrons to Naval Air Station Whidbey Island,  
Washington (Project No. 6CG-5001.03) - ACTION  
MEMORANDUM

I am responding to the draft quick-reaction audit report  
forwarded by attachment 1, concerning base closure and  
realignment budget data for the closure of Naval Air Station  
Barbers Point and realignment of P-3 aircraft squadrons to Naval  
Air Station Whidbey Island. The Department of the Navy response  
is provided at attachment 2. We concur with draft audit  
recommendations.

  
Duncan Holaday  
Deputy Assistant Secretary  
(Installations & Facilities)

Attachments:

1. DODIG memo of 6 Mar 96
2. DON Response to DODIG Quick Reaction Report of 6 Mar 96

Copy to:  
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ASN(FMO-31)  
COMNAVFACENGCOM (FAC 00G2)

\*Attachment 1 omitted. Copies will be provided upon request.



DEPARTMENT OF NAVY RESPONSE

TO

DODIG QUICK REACTION REPORT OF 6 MARCH 1996

ON

DEFENSE BASE REALIGNMENT AND CLOSURE BUDGET DATA FOR THE  
CLOSURE OF NAVAL AIR STATION BARBERS POINT, HAWAII AND  
REALIGNMENT OF P-3 AIRCRAFT SQUADRONS TO NAVAL AIR STATION  
WHIDBEY ISLAND, WASHINGTON  
(PROJECT 6CG-5001.03)

Recommendation 1:

We recommend that the Under Secretary of Defense (Comptroller) reduce the FY 1997 Defense base realignment and closure budget for Whidbey Island, Washington, by \$219,000 for project P-600T, "Ground Support Equipment Facility."

Department of the Navy response:

Concur. In addition, supporting facilities cost can be reduced (\$280,000) to reflect the reduction in the primary facility scope. Therefore, the current cost of the project would be \$2,700,000.

Recommendation 2:

We recommend that the Commander, Naval Air Station Whidbey Island, revise the FY 1997 budget estimates for project P-600T, "Ground Support Equipment Facility," and submit a revised DD Form 1391, "FY 1997 Military Construction Project Data." The revised data should not include a space allowance for vehicle storage.

Department of the Navy response:

Concur. A revised DD Form 1391 is attached.

ATTACHMENT 2

Revised

Revised

# Department of the Navy Comments

|  |  |                                       |   |                             |              |
|--|--|---------------------------------------|---|-----------------------------|--------------|
| 1. Component<br>NAVY   |  | FY 1997 MILITARY CONSTRUCTION PROGRAM |   | 2. Date<br>10/31/95         |              |
| 3. Installation and Location/UIC: NO0620<br>NAVAL AIR STATION,<br>WHIDBEY ISLAND, WASHINGTON   |  |                                       | 4. Project Title<br>GROUND SUPPORT EQUIPMENT SHOP |                             |              |
| 5. Program Element<br>0204696N   |  | 6. Category Code<br>218.60            |   | 7. Project Number<br>P-600T |              |
| 8. Project Cost (\$000)<br>2,700   |  |                                       |   |                             |              |
| 9. COST ESTIMATES  |  |                                       |   |                             |              |
| Item   |  | U/M                                   | Quantity  | Unit Cost                   | Cost (\$000) |
| GROUND SUPPORT EQUIPMENT SHOP  |  | m2                                    | 818   | -                           | 1,150        |
| BUILDING   |  | m2                                    | 381   | 1,090.00                    | (420)        |
| HOLDING FACILITIES   |  | m2                                    | 437   | 365.00                      | (160)        |
| BUILT-IN EQUIPMENT   |  | LS                                    | -   | -                           | (510)        |
| TECHNICAL OPERATING MANUALS  |  | LS                                    | -   | -                           | (60)         |
| SUPPORTING FACILITIES  |  | -                                     | -   | -                           | 1,280        |
| SPECIAL CONSTRUCTION FEATURES  |  | LS                                    | -   | -                           | (150)        |
| ELECTRICAL UTILITIES   |  | LS                                    | -   | -                           | (200)        |
| MECHANICAL UTILITIES   |  | LS                                    | -   | -                           | (120)        |
| PAVING AND SITE IMPROVEMENT  |  | LS                                    | -   | -                           | (730)        |
| DEMOLITION   |  | LS                                    | -   | -                           | (180)        |
| SUBTOTAL   |  | -                                     | -   | -                           | 2,430        |
| CONTINGENCY (5.0%)   |  | -                                     | -   | -                           | 120          |
| TOTAL CONTRACT COST  |  | -                                     | -   | -                           | 2,550        |
| SUPERVISION, INSPECTION, & OVERHEAD (6.0%)   |  | -                                     | -   | -                           | 150          |
| TOTAL REQUEST  |  | -                                     | -   | -                           | 2,700        |
| EQUIPMENT PROVIDED FROM OTHER APPROPRIATIONS   |  | -                                     | -   | (NON-ADD)                   | (0)          |
| 10. Description of Proposed Construction<br>Two one-story buildings, hydraulic lifts, five-ton bridge crane with micro-drive, compressed air, paint spray booth, sandblast booth, fire protection system, utilities, oil water separator, parking, demolition, relocate existing structures, concrete pavement, and external lighting.   |  |                                       |   |                             |              |
| 11. Requirement: 818 m2 Adequate: 0 m2 Substandard: (0) m2   |  |                                       |   |                             |              |
| PROJECT:<br>Provides facilities to accommodate ground support equipment shop (GSE), holding facility, and compound.  |  |                                       |   |                             |              |
| REQUIREMENT:<br>Adequate additional GSE shop spaces and holding facilities to support a new mission to home base three VP squadrons of P-3 aircraft involved in complex, multi-platformed operations. Because of actions resulting from Public Law 101-510, Defense Base Closure and Realignment Act of 1990, the Naval Air Station, Barbers Point, Hawaii, will close and GSE and holding facilities will relocate to this station. |  |                                       |   |                             |              |
| CURRENT SITUATION:<br>Assignment of P-3 squadrons will compound space deficiencies. GSE required for P-3 squadrons are too heavy for the asphaltic paved areas in the equipment compound. Size and weight increase of P-3 GSE would require new facilities even with removal of A-6 tasking.   |  |                                       |   |                             |              |
| IMPACT IF NOT PROVIDED:<br>Without this project, there will be no GSE facilities available to support P-3C aircraft. This station will be unable to support base closure and realignment actions.  |  |                                       |   |                             |              |

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|  |                                       |       |                             |
|--|---------------------------------------|-------|-----------------------------|
| 1. Component<br>NAVY   | FY 1997 MILITARY CONSTRUCTION PROGRAM |       | 2. Date<br>10/31/95         |
| 3. Installation and Location/UIC: N00620<br>NAVAL AIR STATION, WHIDBEY ISLAND, WASHINGTON                                    |                                       |       |                             |
| 4. Project Title<br>GROUND SUPPORT EQUIPMENT SHOP  |                                       |       | 5. Project Number<br>P-600T |
| 12. Supplemental Data:   |                                       |       |                             |
| A. Estimated Design Data. (Project design conforms to Part II of Military Handbook 1190, Facility Planning and Design Guide) |                                       |       |                             |
| (1) Status:  |                                       |       |                             |
| (A) Date Design Started  |                                       | 10-94 |                             |
| (B) Date Design 35% Complete   |                                       | 11-95 |                             |
| (C) Date Design Complete   |                                       | 09-96 |                             |
| (D) Percent Complete As Of September 1995  |                                       | 15%   |                             |
| (E) Percent Complete As Of January 1996  |                                       | 45%   |                             |
| (2) Basis:   |                                       |       |                             |
| (A) Standard or Definitive Design: NO  |                                       |       |                             |
| (B) Where Design Was Most Recently Used:   |                                       |       |                             |
| (3) Total Cost (C) = (A) + (B) Or (D) + (E):   |                                       |       |                             |
| (A) Production of Plans And Specifications   |                                       | (160) |                             |
| (B) All Other Design Costs   |                                       | (80)  |                             |
| (C) Total  |                                       | 240   |                             |
| (D) Contract   |                                       | (220) |                             |
| (E) In-House   |                                       | (20)  |                             |
| (4) Construction Start   |                                       | 01-97 |                             |
| B. Equipment associated with this project which will be provided from other appropriations: NONE.                            |                                       |       |                             |

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ATTACHMENT 2

## **Audit Team Members**

This report was prepared by the Contract Management Directorate, Office of the Assistant Inspector General for Auditing, DoD.

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## INTERNET DOCUMENT INFORMATION FORM

**A . Report Title:** Defense Base Realignment and Closure Budget Data for the Closure of Naval Air Station Barbers Point, Hawaii, and Realignment of P-3 Aircraft Squadrons to Naval Air Station Whidbey Island, Washington

**B. DATE Report Downloaded From the Internet:** 12/06/99

**C. Report's Point of Contact: (Name, Organization, Address, Office Symbol, & Ph #):** OAIG-AUD (ATTN: AFTS Audit Suggestions)  
Inspector General, Department of Defense  
400 Army Navy Drive (Room 801)  
Arlington, VA 22202-2884

**D. Currently Applicable Classification Level:** Unclassified

**E. Distribution Statement A:** Approved for Public Release

**F. The foregoing information was compiled and provided by:**  
**DTIC-OCA, Initials:** \_\_VM\_\_ **Preparation Date** 12/06/99

The foregoing information should exactly correspond to the Title, Report Number, and the Date on the accompanying report document. If there are mismatches, or other questions, contact the above OCA Representative for resolution.